

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

RICHMOND COMMUNITY SCHOOLS  
WAYNE COUNTY, INDIANA

July 1, 2016 to June 30, 2018



**FILED**  
05/10/2019



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#### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Karen Scalf	07-01-16 to 12-31-19
Superintendent of Schools	Dr. Todd Terrill	07-01-15 to 07-31-19
President of the School Board	Dixie Robinson Suzanne Derengowski Brad Walton	01-01-16 to 12-31-17 01-01-18 to 12-31-18 01-01-19 to 12-31-19



# STATE OF INDIANA

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## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE RICHMOND COMMUNITY SCHOOLS, WAYNE COUNTY, INDIANA

### **Report on the Financial Statement**

We have audited the accompanying financial statement of the Richmond Community Schools (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Corporation's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 to the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2016 to June 30, 2018.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2016 to June 30, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


***Other Information***

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated April 15, 2019, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

April 15, 2019



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE RICHMOND COMMUNITY SCHOOLS, WAYNE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Richmond Community Schools (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement, and have issued our report thereon dated April 15, 2019, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001, that we consider to be a material weakness.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*  
(Continued)

**Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Richmond Community Schools' Response to Findings**

The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

April 15, 2019

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

RICHMOND COMMUNITY SCHOOLS  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
General	\$ 1,385,806	\$ 35,860,304	\$ 35,175,176	\$ (987,161)	\$ 1,083,773	\$ 36,477,597	\$ 34,741,459	\$ (998,501)	\$ 1,821,410
Debt Service	747,542	1,431,625	1,414,996	-	764,171	1,477,151	1,404,604	-	836,718
Retirement/Severance Bond Debt Service	1,283,394	1,803,667	1,725,937	(125,000)	1,236,124	1,764,037	1,723,689	-	1,276,472
Capital Projects	2,099,644	2,724,833	2,405,927	89,014	2,507,564	2,618,015	2,687,884	153,760	2,591,455
School Transportation	1,596,424	2,351,470	2,169,276	(200,000)	1,578,618	2,409,924	2,183,538	-	1,805,004
School Bus Replacement	634,041	255,360	818,970	-	70,431	462,286	538,265	400,000	394,452
Rainy Day	2,581,666	-	58,352	388,332	2,911,646	-	-	600,000	3,511,646
Retirement/Severance Bond	77,694	100	20,445	-	57,349	-	12,420	-	44,929
Construction	772,769	-	98,573	-	674,196	-	444,860	-	229,336
School Lunch	533,388	2,901,962	2,873,573	-	561,777	3,155,277	3,155,148	-	561,906
Textbook Rental	522,757	443,766	1,416,675	929,098	478,946	447,335	582,291	-	343,990
Repair and Replacement	219	264	335	-	148	3,125	-	-	3,273
Educational License Plates	8,312	488	-	-	8,800	262	-	-	9,062
Alternative Education	121,518	68,460	71,748	-	118,230	52,314	67,447	-	103,097
Dropout Prevention Grant	188	-	-	-	188	-	-	-	188
Early Intervention Grant	443	-	-	-	443	-	-	-	443
Early Intervention Grant 2015	18,053	-	-	-	18,053	25,509	-	-	43,562
Early Intervention Grant 2016-2017	-	26,000	16,708	-	9,292	-	9,292	-	-
School Intervention and Career Counseling	5,132	-	-	-	5,132	-	-	-	5,132
Lilly Counseling Grant	-	30,000	21,631	-	8,369	-	4,382	-	3,987
Technology in Nature Grant	-	250	-	-	250	-	246	-	4
Test Lowes Education Grant	901	-	-	-	901	-	-	-	901
Fairview Intl Walk to School	-	500	489	-	11	-	-	-	11
Thump Jumpers Grant	3,263	-	1,999	-	1,264	2,000	1,789	-	1,475
Vaile Kids in Need Grant	9	-	-	-	9	-	-	-	9
RCS Marketing	1,943	-	1,923	-	20	-	20	-	-
Victory at Test Gannett Grant	110	-	-	-	110	-	-	-	110
Empower Woman Thru Literacy	12	-	-	-	12	-	-	-	12
Target Field Trip Grant C/Dale	553	700	700	-	553	4,000	4,000	-	553
Fairview Lowes Education Grant	11,569	1,769	2,396	-	10,942	4,261	2,382	-	12,821
Garrison Investment Interest	640	81	-	-	721	75	-	-	796
Energy Mini Grant	836	100	96	-	840	160	76	-	924
Adult and Continuing Education	15	-	-	-	15	-	-	-	15
Adult Education Local	21,857	8,619	11,717	-	18,759	7,588	12,398	-	13,949
Adult Education State Funds	-	-	-	-	-	84,571	174,154	-	(89,583)
Extra-Curricular Activities	2,009	-	-	-	2,009	-	-	-	2,009
STEM Camp Activities	1,389	1,158	1,333	-	1,214	492	1,209	-	497
Recreational Activities	613	141	105	-	649	-	298	-	351
State Public Health Action	1,243	-	247	-	996	2,700	2,484	-	1,212
Cultural Arts Fund	-	21,531	21,531	-	-	-	-	-	-
Donations Community Res/Social	41,498	35,653	37,695	-	39,456	30,943	29,878	-	40,521
Youth As Resources Grant	35	-	-	-	35	-	-	-	35
Women's Fund Grants	-	-	-	-	-	22,500	18,820	-	3,680
International Student Support	22,609	40,000	-	-	62,609	10,000	-	-	72,609
Preschool-Non-Special Education	245,204	26,553	594	-	271,163	21,851	10,516	-	282,498
Instructional Support BEAR	156,258	104,101	101,983	-	158,376	111,805	101,153	-	169,028
CTE State Funds	-	-	-	-	-	5,413	-	-	5,413
Formative Assessment	-	63,767	47,130	-	16,637	57,996	67,873	-	6,760
Computer Warranty Program	87	-	-	-	87	-	-	-	87
Mac Grant	1,535	1,485	985	-	2,035	-	-	-	2,035
High Ability Competitive Grant	-	-	22,152	-	(22,152)	24,384	2,232	-	-
High Ability 15-16	3,451	-	3,451	-	-	-	-	-	-
High Ability 16-17	-	45,781	43,427	-	2,354	-	2,354	-	-
High Ability 2017-2019	-	-	-	-	-	45,301	29,857	-	15,444
Instructional Support IUE Grant	115	-	-	-	115	-	-	-	115
2018 School & Community Grant	-	-	-	-	-	-	576	-	(576)

RICHMOND COMMUNITY SCHOOLS  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
Medicaid Reimbursement	18,764	-	-	-	18,764	-	-	-	18,764
Secured Schools Safety Grant	(50,000)	50,000	25,000	-	(25,000)	25,000	-	-	-
Vending Fund	1,948	626	422	-	2,152	160	204	-	2,108
Welfare Activities	21,137	-	-	-	21,137	-	-	-	21,137
Non-English Speaking Programs 2016-2017	-	49,427	30,194	-	19,233	-	19,233	-	-
Non-English Speaking 2017-18	-	-	-	-	-	44,750	24,420	-	20,330
Non-English Speaking Grant	221	-	-	-	221	-	-	-	221
Non-English Speaking Program 14-16	1,035	-	1,035	-	-	-	-	-	-
Non-English Speaking Programs	35,980	-	35,975	-	5	-	-	-	5
School Technology	1,524	4,148	-	-	5,672	4,530	-	-	10,202
Technology Grants [IC 20-40-15]	168	-	-	-	168	-	-	-	168
Career and Technical Performance Grant	-	34,218	34,218	-	-	16,728	15,309	-	1,419
Project Lead the Way	-	-	-	-	-	10,000	1,225	-	8,775
Assembly & Lock Fund	19,376	3,508	1,269	-	21,615	-	3,690	-	17,925
Driver's Ed 2005	2,472	-	-	-	2,472	-	-	-	2,472
Senator David Ford Technology	-	-	-	-	-	-	8,075	-	(8,075)
National Governor's Assoc Grant	26	-	-	-	26	-	-	-	26
Title I 2015-2016	(328,596)	784,567	455,971	-	-	-	-	-	-
Title I 2016-2017	-	1,532,407	1,725,854	-	(193,447)	588,524	395,077	-	-
Title I 2017-2018	-	-	-	-	-	1,282,787	1,384,680	-	(101,893)
Title I SIG 2017	-	18,624	21,550	-	(2,926)	56,285	68,941	-	(15,582)
IDEA	(61,222)	86,489	25,267	-	-	-	-	-	-
Special Ed IDEA Pt B 2017-2019	-	185,301	291,327	-	(106,026)	1,102,393	1,282,191	-	(285,824)
Special Education IDEA FY2018	-	-	-	-	-	211,434	290,365	-	(78,931)
Special Education IDEA 2016-2018	(203,229)	1,288,505	1,097,490	-	(12,214)	81,162	68,628	-	320
Special Education IDEA Preschool	(274)	4,400	4,126	-	-	-	-	-	-
Special Ed Preschool 2017-2019	-	33,260	38,516	-	(5,256)	30,032	25,317	-	(541)
Special Educ Preschool FY18	-	-	-	-	-	39,801	43,408	-	(3,607)
Special Education IDEA Preschool 2016-2018	(8,716)	35,349	26,989	-	(356)	17,066	16,710	-	-
Adult Education 15-16	(15,285)	37,254	21,969	-	-	-	-	-	-
Adult Education Fed 2016-2017	-	109,275	121,356	-	(12,081)	15,803	3,722	-	-
Adult Education 2017-2018	-	-	-	-	-	81,862	107,438	-	(25,576)
Perkins Rural Grant	-	200,000	200,000	-	-	-	-	-	-
Perkins 2016-2017	-	60,639	90,647	-	(30,008)	57,620	27,612	-	-
Perkins 2017-2018	-	-	-	-	-	84,322	99,569	-	(15,247)
Perkins 15-16	(29,678)	49,259	19,581	-	-	-	-	-	-
Medicaid Reimbursement - Federal	39,757	-	-	-	39,757	-	-	-	39,757
Improving Teacher Quality, No Child Left, Title II, Part A	-	12,630	16,005	-	(3,375)	137,194	197,600	-	(63,781)
RLIS Title II 2018	-	-	-	-	-	48,336	51,603	-	(3,267)
Title II Improving Teacher Quality 2014-2015	(22,991)	161,812	138,821	-	-	-	-	-	-
Title II Improving Teacher Quality 2015-2017	(2,291)	167,188	211,172	-	(46,275)	209,510	163,235	-	-
Title III - English Proficiency Migrant	-	-	-	-	-	15,387	19,566	-	(4,179)
Title III LEP Grant 2014-2015	(11,857)	11,974	117	-	-	-	-	-	-
Title III LEP Grant 2015-2017	(5,204)	16,253	11,049	-	-	649	649	-	-
Title III LEP 2016-2018	-	13,996	20,389	-	(6,393)	16,980	13,899	-	(3,312)
Title II Part B Math and Science Partnership	9,108	-	9,108	-	-	-	-	-	-
McKinney - Vento Education for Homeless	(1,600)	7,701	7,629	-	(1,528)	13,114	12,991	-	(1,405)
Payroll Deductions	87,073	9,536,345	9,533,631	-	89,787	9,118,909	9,102,246	-	106,450
Warehouse	1,010	-	-	-	1,010	-	-	-	1,010
Food Service Prepaid	12,073	269,213	263,768	-	17,518	280,798	237,238	-	61,078
Student Tech Insurance Payment	-	-	-	-	-	4,078	3,972	-	106
Totals	\$ 12,417,473	\$ 63,014,856	\$ 63,068,720	\$ 94,283	\$ 12,457,892	\$ 62,924,086	\$ 61,706,407	\$ 155,259	\$ 13,830,830

The notes to the financial statement are an integral part of this statement.

RICHMOND COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

School Corporation, as used herein, shall include, but is not limited to, the following: school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

**B. Basis of Accounting**

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

**C. Cash and Investments**

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

**D. Receipts**

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

*Local sources.* Amounts received from taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community service activities, and other revenue from local sources.

*Intermediate sources.* Amounts received as distributions from the County for fees collected for or on behalf of the School Corporation including, but not limited to, the following: educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

RICHMOND COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*State sources.* Amounts received as distributions from the State of Indiana that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

*Federal sources.* Amounts received as distributions from the federal government that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

*Other receipts.* Amounts received from various sources, including, but not limited to, the following: return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

**E. Disbursements**

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

*Instruction.* Amounts disbursed for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

*Support services.* Amounts disbursed for support services related to students, instruction, general administration, school administration, outflows for central services, operation and maintenance of plant services, and student transportation.

*Noninstructional services.* Amounts disbursed for food service operations and community service operations.

*Facilities acquisition and construction.* Amounts disbursed for the acquisition, development, construction, and improvement of new and existing facilities.

*Debt service.* Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the School Corporation, including: all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

*Nonprogrammed charges.* Amounts disbursed for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

**F. Other Financing Sources and Uses**

Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

*Sale of capital assets.* Amounts received when land, buildings, or equipment owned by the School Corporation are sold.

RICHMOND COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Transfers in.* Amounts received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

*Transfers out.* Amounts paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

**G. Fund Accounting**

Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.



RICHMOND COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

State statutes authorize the School Corporation to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

**Note 5. Risk Management**

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

RICHMOND COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

***B. Teachers' Retirement Fund***

***Plan Description***

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRF plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 286-3544

***Funding Policy and Annual Pension Cost***

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

***Note 7. Cash Balance Deficits***

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2017 and 2018.

***Note 8. Holding Corporation***

The School Corporation has entered into a capital lease with the Richmond Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2017 and 2018 totaled \$1,358,000 and \$1,357,000, respectively.

RICHMOND COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Other Postemployment Benefits**

The School Corporation provides to eligible retirees the following benefits:

*Classified Employees (if qualified)*

Employees hired prior to January 1, 2006, receive \$50 per day for any unused sick days plus 11 percent of their last annualized salary.

Employees hired after January 1, 2006, receive \$50 per day for any unused sick days up to a maximum of 70 days.

*Administrators (if qualified)*

Administrators hired prior to the 2003-2004 school year receive one-half ( $\frac{1}{2}$ ) the administrator's daily rate for any unused sick days up to a maximum of 70 days.

Administrators hired after the 2003-2004 school year receive \$30 per day for any unused sick days up to a maximum of 70 days.

*Certified Employees (if qualified)*

Employees receive \$30 per day for any unused sick days up to a maximum of 70 days.

These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

**Note 10. Combined Funds**

Funds related to payroll were combined into one fund for the financial statement.

**Note 11. Subsequent Events**

The School Corporation issued General Obligation Bonds of 2018 with a principal amount of \$5,000,000 on November 1, 2018. The bond proceeds will be used for renovations or improvements to school facilities throughout the School Corporation including equipment, technology, and site improvements. Debt payments for the bond principal and interest will be due semiannually, on January 15 and July 15 of each year, beginning July 15, 2019.

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#### OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2017

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction	School Lunch
Cash and investments - beginning	\$ 1,385,806	\$ 747,542	\$ 1,283,394	\$ 2,099,644	\$ 1,596,424	\$ 634,041	\$ 2,581,666	\$ 77,694	\$ 772,769	\$ 533,388
Receipts:										
Local sources	216,775	1,431,625	1,803,667	2,724,833	2,350,400	255,360	-	100	-	392,504
Intermediate sources	64	-	-	-	-	-	-	-	-	-
State sources	35,590,700	-	-	-	-	-	-	-	-	41,403
Federal sources	34,732	-	-	-	-	-	-	-	-	2,468,055
Other receipts	18,033	-	-	-	1,070	-	-	-	-	-
Total receipts	35,860,304	1,431,625	1,803,667	2,724,833	2,351,470	255,360	-	100	-	2,901,962
Disbursements:										
Instruction	22,535,011	-	-	-	-	-	-	-	-	-
Support services	11,875,791	56,996	-	1,412,242	2,169,276	818,970	-	20,445	-	225,443
Noninstructional services	764,374	-	-	-	-	-	-	-	-	2,648,130
Facilities acquisition and construction	-	-	-	993,685	-	-	58,352	-	98,573	-
Debt service	-	1,358,000	1,725,937	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	35,175,176	1,414,996	1,725,937	2,405,927	2,169,276	818,970	58,352	20,445	98,573	2,873,573
Excess (deficiency) of receipts over (under) disbursements	685,128	16,629	77,730	318,906	182,194	(563,610)	(58,352)	(20,345)	(98,573)	28,389
Other financing sources (uses):										
Sale of capital assets	5,269	-	-	89,014	-	-	-	-	-	-
Transfers in	1,000,000	-	300,000	-	300,000	-	2,917,430	-	-	-
Transfers out	(1,992,430)	-	(425,000)	-	(500,000)	-	(2,529,098)	-	-	-
Total other financing sources (uses)	(987,161)	-	(125,000)	89,014	(200,000)	-	388,332	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(302,033)	16,629	(47,270)	407,920	(17,806)	(563,610)	329,980	(20,345)	(98,573)	28,389
Cash and investments - ending	\$ 1,083,773	\$ 764,171	\$ 1,236,124	\$ 2,507,564	\$ 1,578,618	\$ 70,431	\$ 2,911,646	\$ 57,349	\$ 674,196	\$ 561,777

RICHMOND COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2017

	Textbook Rental	Repair and Replacement	Educational License Plates	Alternative Education	Dropout Prevention Grant	Early Intervention Grant	Early Intervention Grant 2015	Early Intervention Grant 2016-2017	School Intervention and Career Counseling	Lilly Counseling Grant
Cash and investments - beginning	\$ 522,757	\$ 219	\$ 8,312	\$ 121,518	\$ 188	\$ 443	\$ 18,053	\$ -	\$ 5,132	\$ -
Receipts:										
Local sources	90,815	264	-	-	-	-	-	-	-	30,000
Intermediate sources	-	-	488	-	-	-	-	-	-	-
State sources	352,951	-	-	68,460	-	-	-	26,000	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	443,766	264	488	68,460	-	-	-	26,000	-	30,000
Disbursements:										
Instruction	1,405,255	335	-	71,748	-	-	-	16,708	-	-
Support services	11,420	-	-	-	-	-	-	-	-	21,631
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,416,675	335	-	71,748	-	-	-	16,708	-	21,631
Excess (deficiency) of receipts over (under) disbursements	(972,909)	(71)	488	(3,288)	-	-	-	9,292	-	8,369
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	929,098	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	929,098	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(43,811)	(71)	488	(3,288)	-	-	-	9,292	-	8,369
Cash and investments - ending	\$ 478,946	\$ 148	\$ 8,800	\$ 118,230	\$ 188	\$ 443	\$ 18,053	\$ 9,292	\$ 5,132	\$ 8,369

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2017

	Technology in Nature Grant	Test Lowes Education Grant	Fairview Intl Walk to School	Thump Jumpers Grant	Vaile Kids in Need Grant	RCS Marketing	Victory at Test Gannett Grant	Empower Women Thru Literacy	Target Field Trip Grant C/Dale	Fairview Lowes Education Grant
Cash and investments - beginning	\$ -	\$ 901	\$ -	\$ 3,263	\$ 9	\$ 1,943	\$ 110	\$ 12	\$ 553	\$ 11,569
Receipts:										
Local sources	250	-	500	-	-	-	-	-	700	1,769
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	250	-	500	-	-	-	-	-	700	1,769
Disbursements:										
Instruction	-	-	489	-	-	-	-	-	700	2,096
Support services	-	-	-	-	-	1,923	-	-	-	300
Noninstructional services	-	-	-	1,999	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	489	1,999	-	1,923	-	-	700	2,396
Excess (deficiency) of receipts over (under) disbursements	250	-	11	(1,999)	-	(1,923)	-	-	-	(627)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	250	-	11	(1,999)	-	(1,923)	-	-	-	(627)
Cash and investments - ending	\$ 250	\$ 901	\$ 11	\$ 1,264	\$ 9	\$ 20	\$ 110	\$ 12	\$ 553	\$ 10,942



RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2017

	Garrison Investment Interest	Energy Mini Grant	Adult and Continuing Education	Adult Education Local	Adult Education State Funds	Extra- Curricular Activities	STEM Camp Activities	Recreational Activities	State Public Health Action	Cultural Arts Fund
Cash and investments - beginning	\$ 640	\$ 836	\$ 15	\$ 21,857	\$ -	\$ 2,009	\$ 1,389	\$ 613	\$ 1,243	\$ -
Receipts:										
Local sources	81	100	-	8,619	-	-	1,158	141	-	21,531
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	81	100	-	8,619	-	-	1,158	141	-	21,531
Disbursements:										
Instruction	-	96	-	11,717	-	-	1,333	-	-	-
Support services	-	-	-	-	-	-	-	105	247	21,531
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	96	-	11,717	-	-	1,333	105	247	21,531
Excess (deficiency) of receipts over (under) disbursements	81	4	-	(3,098)	-	-	(175)	36	(247)	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	81	4	-	(3,098)	-	-	(175)	36	(247)	-
Cash and investments - ending	\$ 721	\$ 840	\$ 15	\$ 18,759	\$ -	\$ 2,009	\$ 1,214	\$ 649	\$ 996	\$ -

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2017

	Donations Community Res/ Social	Youth As Resources Grant	Women's Fund Grants	International Student Support	Preschool- Non-Special Education	Instructional Support BEAR	CTE State Funds	Formative Assessment	Computer Warranty Program	Mac Grant
Cash and investments - beginning	\$ 41,498	\$ 35	\$ -	\$ 22,609	\$ 245,204	\$ 156,258	\$ -	\$ -	\$ 87	\$ 1,535
Receipts:										
Local sources	35,653	-	-	40,000	26,553	104,101	-	-	-	1,485
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	63,767	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	35,653	-	-	40,000	26,553	104,101	-	63,767	-	1,485
Disbursements:										
Instruction	33,721	-	-	-	504	-	-	47,130	-	985
Support services	3,974	-	-	-	90	101,983	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	37,695	-	-	-	594	101,983	-	47,130	-	985
Excess (deficiency) of receipts over (under) disbursements	(2,042)	-	-	40,000	25,959	2,118	-	16,637	-	500
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(2,042)	-	-	40,000	25,959	2,118	-	16,637	-	500
Cash and investments - ending	\$ 39,456	\$ 35	\$ -	\$ 62,609	\$ 271,163	\$ 158,376	\$ -	\$ 16,637	\$ 87	\$ 2,035

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2017

	High Ability Competitive Grant	High Ability 15-16	High Ability 16-17	High Ability 2017-2019	Instructional Support IUE Grant	2018 School & Community Grant	Medicaid Reimbursement	Secured Schools Safety Grant	Vending Fund	Welfare Activities
Cash and investments - beginning	\$ -	\$ 3,451	\$ -	\$ -	\$ 115	\$ -	\$ 18,764	\$ (50,000)	\$ 1,948	\$ 21,137
Receipts:										
Local sources	-	-	-	-	-	-	-	-	626	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	45,781	-	-	-	-	50,000	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	45,781	-	-	-	-	50,000	626	-
Disbursements:										
Instruction	22,152	3,451	43,427	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	25,000	-	-
Noninstructional services	-	-	-	-	-	-	-	-	422	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	22,152	3,451	43,427	-	-	-	-	25,000	422	-
Excess (deficiency) of receipts over (under) disbursements	(22,152)	(3,451)	2,354	-	-	-	-	25,000	204	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(22,152)	(3,451)	2,354	-	-	-	-	25,000	204	-
Cash and investments - ending	\$ (22,152)	\$ -	\$ 2,354	\$ -	\$ 115	\$ -	\$ 18,764	\$ (25,000)	\$ 2,152	\$ 21,137

RICHMOND COMMUNITY SCHOOLS  
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	Non-English Speaking Programs 2016-17	Non-English Speaking 2017-18	Non-English Speaking Grant	Non-English Speaking Program 14-16	Non-English Speaking Programs	School Technology	Technology Grants [IC 20-40-15]	Career and Technical Performance Grant	Project Lead the Way	Assembly & Lock Fund
Cash and investments - beginning	\$ -	\$ -	\$ 221	\$ 1,035	\$ 35,980	\$ 1,524	\$ 168	\$ -	\$ -	\$ 19,376
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	3,508
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	49,427	-	-	-	-	4,148	-	-	-	-
Federal sources	-	-	-	-	-	-	-	34,218	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	49,427	-	-	-	-	4,148	-	34,218	-	3,508
Disbursements:										
Instruction	-	-	-	1,035	-	-	-	34,218	-	-
Support services	30,194	-	-	-	30,980	-	-	-	-	-
Noninstructional services	-	-	-	-	4,995	-	-	-	-	1,269
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	30,194	-	-	1,035	35,975	-	-	34,218	-	1,269
Excess (deficiency) of receipts over (under) disbursements	19,233	-	-	(1,035)	(35,975)	4,148	-	-	-	2,239
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	19,233	-	-	(1,035)	(35,975)	4,148	-	-	-	2,239
Cash and investments - ending	\$ 19,233	\$ -	\$ 221	\$ -	\$ 5	\$ 5,672	\$ 168	\$ -	\$ -	\$ 21,615

RICHMOND COMMUNITY SCHOOLS  
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	Driver's Ed 2005	Senator David Ford Technology	National Governor's Assoc Grant	Title I 2015-2016	Title I 2016-2017	Title I 2017-2018	Title I SIG 2017	IDEA	Special Ed IDEA Pt B 2017-2019	Special Education IDEA FY2018
Cash and investments - beginning	\$ 2,472	\$ -	\$ 26	\$ (328,596)	\$ -	\$ -	\$ -	\$ (61,222)	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	784,567	1,532,407	-	18,624	86,489	185,301	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	784,567	1,532,407	-	18,624	86,489	185,301	-
Disbursements:										
Instruction	-	-	-	312,663	1,098,906	-	21,550	25,267	188,195	-
Support services	-	-	-	132,361	573,565	-	-	-	103,132	-
Noninstructional services	-	-	-	1,865	33,383	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	9,082	20,000	-	-	-	-	-
Total disbursements	-	-	-	455,971	1,725,854	-	21,550	25,267	291,327	-
Excess (deficiency) of receipts over (under) disbursements	-	-	-	328,596	(193,447)	-	(2,926)	61,222	(106,026)	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	-	-	328,596	(193,447)	-	(2,926)	61,222	(106,026)	-
Cash and investments - ending	\$ 2,472	\$ -	\$ 26	\$ -	\$ (193,447)	\$ -	\$ (2,926)	\$ -	\$ (106,026)	\$ -

RICHMOND COMMUNITY SCHOOLS  
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OTHER FINANCING SOURCES (USES), AND CASH AND  
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	Special Education IDEA 2016-2018	Special Education IDEA Preschool	Special Ed Preschool 2017-2019	Special Educ Preschool FY18	Special Education IDEA Preschool 2016-2018	Adult Education 15-16	Adult Education Fed 2016-2017	Adult Education 2017-2018	Perkins Rural Grant	Perkins 2016-2017
Cash and investments - beginning	\$ (203,229)	\$ (274)	\$ -	\$ -	\$ (8,716)	\$ (15,285)	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	1,288,505	4,400	33,260	-	35,349	37,254	109,275	-	200,000	60,639
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	1,288,505	4,400	33,260	-	35,349	37,254	109,275	-	200,000	60,639
Disbursements:										
Instruction	963,203	4,126	38,516	-	26,989	21,969	121,356	-	200,000	691
Support services	134,287	-	-	-	-	-	-	-	-	89,956
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,097,490	4,126	38,516	-	26,989	21,969	121,356	-	200,000	90,647
Excess (deficiency) of receipts over (under) disbursements	191,015	274	(5,256)	-	8,360	15,285	(12,081)	-	-	(30,008)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	191,015	274	(5,256)	-	8,360	15,285	(12,081)	-	-	(30,008)
Cash and investments - ending	\$ (12,214)	\$ -	\$ (5,256)	\$ -	\$ (356)	\$ -	\$ (12,081)	\$ -	\$ -	\$ (30,008)

RICHMOND COMMUNITY SCHOOLS  
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	Perkins 2017-2018	Perkins 15-16	Medicaid Reimbursement - Federal	Improving Teacher Quality, No Child Left, Title II, Part A	RLIS Title II 2018	Title II Improving Teacher Quality 2014-2015	Title II Improving Teacher Quality 2015-2017	Title III - English Proficiency Migrant	Title III LEP Grant 2014-2015	Title III LEP Grant 2015-2017
Cash and investments - beginning	\$ -	\$ (29,678)	\$ 39,757	\$ -	\$ -	\$ (22,991)	\$ (2,291)	\$ -	\$ (11,857)	\$ (5,204)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	49,259	-	12,630	-	161,812	167,188	-	11,974	16,253
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	49,259	-	12,630	-	161,812	167,188	-	11,974	16,253
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	19,581	-	16,005	-	134,598	211,172	-	117	11,049
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	4,223	-	-	-	-
Total disbursements	-	19,581	-	16,005	-	138,821	211,172	-	117	11,049
Excess (deficiency) of receipts over (under) disbursements	-	29,678	-	(3,375)	-	22,991	(43,984)	-	11,857	5,204
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	29,678	-	(3,375)	-	22,991	(43,984)	-	11,857	5,204
Cash and investments - ending	\$ -	\$ -	\$ 39,757	\$ (3,375)	\$ -	\$ -	\$ (46,275)	\$ -	\$ -	\$ -

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
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	Title III LEP 2016-2018	Title II Part B Math and Science Partnership	McKinney - Vento Education for Homeless	Payroll Deductions	Warehouse	Food Service Prepaid	Student Tech Insurance Payment	Totals
Cash and investments - beginning	\$ -	\$ 9,108	\$ (1,600)	\$ 87,073	\$ 1,010	\$ 12,073	\$ -	\$ 12,417,473
Receipts:								
Local sources	-	-	-	-	-	-	-	9,543,118
Intermediate sources	-	-	-	-	-	-	-	552
State sources	-	-	-	-	-	-	-	36,292,637
Federal sources	13,996	-	7,701	-	-	-	-	7,353,888
Other receipts	-	-	-	9,536,345	-	269,213	-	9,824,661
Total receipts	13,996	-	7,701	9,536,345	-	269,213	-	63,014,856
Disbursements:								
Instruction	-	-	-	-	-	-	-	27,255,542
Support services	20,389	9,108	7,629	-	-	-	-	18,291,490
Noninstructional services	-	-	-	-	-	-	-	3,456,437
Facilities acquisition and construction	-	-	-	-	-	-	-	1,150,610
Debt service	-	-	-	-	-	-	-	3,083,937
Nonprogrammed charges	-	-	-	9,533,631	-	263,768	-	9,830,704
Total disbursements	20,389	9,108	7,629	9,533,631	-	263,768	-	63,068,720
Excess (deficiency) of receipts over (under) disbursements	(6,393)	(9,108)	72	2,714	-	5,445	-	(53,864)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	94,283
Transfers in	-	-	-	-	-	-	-	5,446,528
Transfers out	-	-	-	-	-	-	-	(5,446,528)
Total other financing sources (uses)	-	-	-	-	-	-	-	94,283
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(6,393)	(9,108)	72	2,714	-	5,445	-	40,419
Cash and investments - ending	\$ (6,393)	\$ -	\$ (1,528)	\$ 89,787	\$ 1,010	\$ 17,518	\$ -	\$ 12,457,892



RICHMOND COMMUNITY SCHOOLS  
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	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction	School Lunch
Cash and investments - beginning	\$ 1,083,773	\$ 764,171	\$ 1,236,124	\$ 2,507,564	\$ 1,578,618	\$ 70,431	\$ 2,911,646	\$ 57,349	\$ 674,196	\$ 561,777
Receipts:										
Local sources	228,528	1,477,151	1,764,037	2,618,015	2,409,924	462,286	-	-	-	329,154
Intermediate sources	69	-	-	-	-	-	-	-	-	-
State sources	35,951,036	-	-	-	-	-	-	-	-	35,835
Federal sources	230,751	-	-	-	-	-	-	-	-	2,790,288
Other receipts	67,213	-	-	-	-	-	-	-	-	-
Total receipts	36,477,597	1,477,151	1,764,037	2,618,015	2,409,924	462,286	-	-	-	3,155,277
Disbursements:										
Instruction	21,995,707	-	-	-	-	-	-	-	-	-
Support services	12,048,086	47,604	-	1,371,440	2,183,538	538,265	-	12,420	-	254,115
Noninstructional services	697,666	-	-	-	-	-	-	-	-	2,688,186
Facilities acquisition and construction	-	-	-	1,316,444	-	-	-	-	444,860	-
Debt service	-	1,357,000	1,723,689	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	212,847
Total disbursements	34,741,459	1,404,604	1,723,689	2,687,884	2,183,538	538,265	-	12,420	444,860	3,155,148
Excess (deficiency) of receipts over (under) disbursements	1,736,138	72,547	40,348	(69,869)	226,386	(75,979)	-	(12,420)	(444,860)	129
Other financing sources (uses):										
Sale of capital assets	1,499	-	-	153,760	-	-	-	-	-	-
Transfers in	-	-	300,000	-	300,000	400,000	1,600,000	-	-	-
Transfers out	(1,000,000)	-	(300,000)	-	(300,000)	-	(1,000,000)	-	-	-
Total other financing sources (uses)	(998,501)	-	-	153,760	-	400,000	600,000	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	737,637	72,547	40,348	83,891	226,386	324,021	600,000	(12,420)	(444,860)	129
Cash and investments - ending	\$ 1,821,410	\$ 836,718	\$ 1,276,472	\$ 2,591,455	\$ 1,805,004	\$ 394,452	\$ 3,511,646	\$ 44,929	\$ 229,336	\$ 561,906

RICHMOND COMMUNITY SCHOOLS  
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	Textbook Rental	Repair and Replacement	Educational License Plates	Alternative Education	Dropout Prevention Grant	Early Intervention Grant	Early Intervention Grant 2015	Early Intervention Grant 2016-2017	School Intervention and Career Counseling	Lilly Counseling Grant
Cash and investments - beginning	\$ 478,946	\$ 148	\$ 8,800	\$ 118,230	\$ 188	\$ 443	\$ 18,053	\$ 9,292	\$ 5,132	\$ 8,369
Receipts:										
Local sources	115,248	3,125	-	-	-	-	-	-	-	-
Intermediate sources	-	-	262	-	-	-	-	-	-	-
State sources	332,087	-	-	52,314	-	-	25,509	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	447,335	3,125	262	52,314	-	-	25,509	-	-	-
Disbursements:										
Instruction	567,039	-	-	67,447	-	-	-	9,292	-	-
Support services	15,252	-	-	-	-	-	-	-	-	4,382
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	582,291	-	-	67,447	-	-	-	9,292	-	4,382
Excess (deficiency) of receipts over (under) disbursements	(134,956)	3,125	262	(15,133)	-	-	25,509	(9,292)	-	(4,382)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(134,956)	3,125	262	(15,133)	-	-	25,509	(9,292)	-	(4,382)
Cash and investments - ending	\$ 343,990	\$ 3,273	\$ 9,062	\$ 103,097	\$ 188	\$ 443	\$ 43,562	\$ -	\$ 5,132	\$ 3,987

RICHMOND COMMUNITY SCHOOLS  
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	Technology in Nature Grant	Test Lowes Education Grant	Fairview Intl Walk to School	Thump Jumpers Grant	Vaile Kids in Need Grant	RCS Marketing	Victory at Test Gannett Grant	Empower Women Thru Literacy	Target Field Trip Grant C/Dale	Fairview Lowes Education Grant
Cash and investments - beginning	\$ 250	\$ 901	\$ 11	\$ 1,264	\$ 9	\$ 20	\$ 110	\$ 12	\$ 553	\$ 10,942
Receipts:										
Local sources	-	-	-	2,000	-	-	-	-	4,000	4,261
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	2,000	-	-	-	-	4,000	4,261
Disbursements:										
Instruction	246	-	-	1,789	-	-	-	-	4,000	1,582
Support services	-	-	-	-	-	20	-	-	-	800
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	246	-	-	1,789	-	20	-	-	4,000	2,382
Excess (deficiency) of receipts over (under) disbursements	(246)	-	-	211	-	(20)	-	-	-	1,879
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(246)	-	-	211	-	(20)	-	-	-	1,879
Cash and investments - ending	\$ 4	\$ 901	\$ 11	\$ 1,475	\$ 9	\$ -	\$ 110	\$ 12	\$ 553	\$ 12,821

RICHMOND COMMUNITY SCHOOLS  
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	Garrison Investment Interest	Energy Mini Grant	Adult and Continuing Education	Adult Education Local	Adult Education State Funds	Extra- Curricular Activities	STEM Camp Activities	Recreational Activities	State Public Health Action	Cultural Arts Fund
Cash and investments - beginning	\$ 721	\$ 840	\$ 15	\$ 18,759	\$ -	\$ 2,009	\$ 1,214	\$ 649	\$ 996	\$ -
Receipts:										
Local sources	75	160	-	7,588	-	-	492	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	2,700	-
State sources	-	-	-	-	84,571	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	75	160	-	7,588	84,571	-	492	-	2,700	-
Disbursements:										
Instruction	-	76	-	12,398	174,154	-	1,209	-	-	-
Support services	-	-	-	-	-	-	-	298	2,484	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	76	-	12,398	174,154	-	1,209	298	2,484	-
Excess (deficiency) of receipts over (under) disbursements	75	84	-	(4,810)	(89,583)	-	(717)	(298)	216	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	75	84	-	(4,810)	(89,583)	-	(717)	(298)	216	-
Cash and investments - ending	\$ 796	\$ 924	\$ 15	\$ 13,949	\$ (89,583)	\$ 2,009	\$ 497	\$ 351	\$ 1,212	\$ -

RICHMOND COMMUNITY SCHOOLS  
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INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2018

	Donations Community Res/ Social	Youth As Resources Grant	Women's Fund Grants	International Student Support	Preschool- Non-Special Education	Instructional Support BEAR	CTE State Funds	Formative Assessment	Computer Warranty Program	Mac Grant
Cash and investments - beginning	\$ 39,456	\$ 35	\$ -	\$ 62,609	\$ 271,163	\$ 158,376	\$ -	\$ 16,637	\$ 87	\$ 2,035
Receipts:										
Local sources	30,943	-	22,500	10,000	21,851	111,805	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	5,413	57,996	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	30,943	-	22,500	10,000	21,851	111,805	5,413	57,996	-	-
Disbursements:										
Instruction	27,515	-	2,500	-	10,516	-	-	37,996	-	-
Support services	2,363	-	16,320	-	-	101,153	-	29,877	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	29,878	-	18,820	-	10,516	101,153	-	67,873	-	-
Excess (deficiency) of receipts over (under) disbursements	1,065	-	3,680	10,000	11,335	10,652	5,413	(9,877)	-	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	1,065	-	3,680	10,000	11,335	10,652	5,413	(9,877)	-	-
Cash and investments - ending	\$ 40,521	\$ 35	\$ 3,680	\$ 72,609	\$ 282,498	\$ 169,028	\$ 5,413	\$ 6,760	\$ 87	\$ 2,035

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2018

	High Ability Competitive Grant	High Ability 15-16	High Ability 16-17	High Ability 2017-2019	Instructional Support IUE Grant	2018 School & Community Grant	Medicaid Reimbursement	Secured Schools Safety Grant	Vending Fund	Welfare Activities
Cash and investments - beginning	\$ (22,152)	\$ -	\$ 2,354	\$ -	\$ 115	\$ -	\$ 18,764	\$ (25,000)	\$ 2,152	\$ 21,137
Receipts:										
Local sources	-	-	-	-	-	-	-	-	160	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	24,384	-	-	45,301	-	-	-	25,000	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	24,384	-	-	45,301	-	-	-	25,000	160	-
Disbursements:										
Instruction	2,232	-	2,354	29,857	-	-	-	-	-	-
Support services	-	-	-	-	-	576	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	204	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,232	-	2,354	29,857	-	576	-	-	204	-
Excess (deficiency) of receipts over (under) disbursements	22,152	-	(2,354)	15,444	-	(576)	-	25,000	(44)	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	22,152	-	(2,354)	15,444	-	(576)	-	25,000	(44)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 15,444	\$ 115	\$ (576)	\$ 18,764	\$ -	\$ 2,108	\$ 21,137

RICHMOND COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Non-English Speaking Programs 2016-17	Non-English Speaking 2017-18	Non-English Speaking Grant	Non-English Speaking Program 14-16	Non-English Speaking Programs	School Technology	Technology Grants [IC 20-40-15]	Career and Technical Performance Grant	Project Lead the Way	Assembly & Lock Fund
Cash and investments - beginning	\$ 19,233	\$ -	\$ 221	\$ -	\$ 5	\$ 5,672	\$ 168	\$ -	\$ -	\$ 21,615
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	44,750	-	-	-	4,530	-	-	10,000	-
Federal sources	-	-	-	-	-	-	-	16,728	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	44,750	-	-	-	4,530	-	16,728	10,000	-
Disbursements:										
Instruction	-	-	-	-	-	-	-	15,309	1,225	-
Support services	18,483	24,420	-	-	-	-	-	-	-	-
Noninstructional services	750	-	-	-	-	-	-	-	-	3,690
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	19,233	24,420	-	-	-	-	-	15,309	1,225	3,690
Excess (deficiency) of receipts over (under) disbursements	(19,233)	20,330	-	-	-	4,530	-	1,419	8,775	(3,690)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(19,233)	20,330	-	-	-	4,530	-	1,419	8,775	(3,690)
Cash and investments - ending	\$ -	\$ 20,330	\$ 221	\$ -	\$ 5	\$ 10,202	\$ 168	\$ 1,419	\$ 8,775	\$ 17,925

RICHMOND COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Driver's Ed 2005	Senator David Ford Technology	National Governor's Assoc Grant	Title I 2015-2016	Title I 2016-2017	Title I 2017-2018	Title I SIG 2017	IDEA	Special Ed IDEA Pt B 2017-2019	Special Education IDEA FY2018
Cash and investments - beginning	\$ 2,472	\$ -	\$ 26	\$ -	\$ (193,447)	\$ -	\$ (2,926)	\$ -	\$ (106,026)	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	588,524	1,282,787	56,285	-	1,102,393	211,434
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	588,524	1,282,787	56,285	-	1,102,393	211,434
Disbursements:										
Instruction	-	-	-	-	232,138	738,932	49,332	-	1,177,626	267,152
Support services	-	8,075	-	-	140,890	630,291	19,609	-	104,565	23,213
Noninstructional services	-	-	-	-	11,198	15,457	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	10,851	-	-	-	-	-
Total disbursements	-	8,075	-	-	395,077	1,384,680	68,941	-	1,282,191	290,365
Excess (deficiency) of receipts over (under) disbursements	-	(8,075)	-	-	193,447	(101,893)	(12,656)	-	(179,798)	(78,931)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	(8,075)	-	-	193,447	(101,893)	(12,656)	-	(179,798)	(78,931)
Cash and investments - ending	\$ 2,472	\$ (8,075)	\$ 26	\$ -	\$ -	\$ (101,893)	\$ (15,582)	\$ -	\$ (285,824)	\$ (78,931)



RICHMOND COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 OTHER FINANCING SOURCES (USES), AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2018

	Special Education IDEA 2016-2018	Special Education IDEA Preschool	Special Ed Preschool 2017-2019	Special Educ Preschool FY18	Special Education IDEA Preschool 2016-2018	Adult Education 15-16	Adult Education Fed 2016-2017	Adult Education 2017-2018	Perkins Rural Grant	Perkins 2016-2017
Cash and investments - beginning	\$ (12,214)	\$ -	\$ (5,256)	\$ -	\$ (356)	\$ -	\$ (12,081)	\$ -	\$ -	\$ (30,008)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	81,162	-	30,032	39,801	17,066	-	15,803	81,862	-	57,620
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	81,162	-	30,032	39,801	17,066	-	15,803	81,862	-	57,620
Disbursements:										
Instruction	65,558	-	25,317	43,408	16,710	-	3,722	107,438	-	5,209
Support services	3,070	-	-	-	-	-	-	-	-	22,403
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	68,628	-	25,317	43,408	16,710	-	3,722	107,438	-	27,612
Excess (deficiency) of receipts over (under) disbursements	12,534	-	4,715	(3,607)	356	-	12,081	(25,576)	-	30,008
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	12,534	-	4,715	(3,607)	356	-	12,081	(25,576)	-	30,008
Cash and investments - ending	\$ 320	\$ -	\$ (541)	\$ (3,607)	\$ -	\$ -	\$ -	\$ (25,576)	\$ -	\$ -

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2018

	Perkins 2017-2018	Perkins 15-16	Medicaid Reimbursement - Federal	Improving Teacher Quality, No Child Left, Title II, Part A	RLIS Title II 2018	Title II Improving Teacher Quality 2014-2015	Title II Improving Teacher Quality 2015-2017	Title III - English Proficiency Migrant	Title III LEP Grant 2014-2015	Title III LEP Grant 2015-2017
Cash and investments - beginning	\$ -	\$ -	\$ 39,757	\$ (3,375)	\$ -	\$ -	\$ (46,275)	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	84,322	-	-	137,194	48,336	-	209,510	15,387	-	649
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	84,322	-	-	137,194	48,336	-	209,510	15,387	-	649
Disbursements:										
Instruction	23,032	-	-	-	48,337	-	-	-	-	-
Support services	76,537	-	-	196,214	3,266	-	157,568	19,566	-	649
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,386	-	-	5,667	-	-	-
Total disbursements	99,569	-	-	197,600	51,603	-	163,235	19,566	-	649
Excess (deficiency) of receipts over (under) disbursements	(15,247)	-	-	(60,406)	(3,267)	-	46,275	(4,179)	-	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(15,247)	-	-	(60,406)	(3,267)	-	46,275	(4,179)	-	-
Cash and investments - ending	\$ (15,247)	\$ -	\$ 39,757	\$ (63,781)	\$ (3,267)	\$ -	\$ -	\$ (4,179)	\$ -	\$ -

RICHMOND COMMUNITY SCHOOLS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
OTHER FINANCING SOURCES (USES), AND CASH AND  
INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended June 30, 2018

	Title III LEP 2016-2018	Title II Part B Math and Science Partnership	McKinney - Vento Education for Homeless	Payroll Deductions	Warehouse	Food Service Prepaid	Student Tech Insurance Payment	Totals
Cash and investments - beginning	\$ (6,393)	\$ -	\$ (1,528)	\$ 89,787	\$ 1,010	\$ 17,518	\$ -	\$ 12,457,892
Receipts:								
Local sources	-	-	-	-	-	-	-	9,623,303
Intermediate sources	-	-	-	-	-	-	-	3,031
State sources	-	-	-	-	-	-	-	36,698,726
Federal sources	16,980	-	13,114	-	-	-	-	7,128,028
Other receipts	-	-	-	9,118,909	-	280,798	4,078	9,470,998
Total receipts	16,980	-	13,114	9,118,909	-	280,798	4,078	62,924,086
Disbursements:								
Instruction	-	-	-	-	-	-	-	25,768,354
Support services	13,899	-	12,991	-	-	-	-	18,104,702
Noninstructional services	-	-	-	-	-	-	-	3,417,151
Facilities acquisition and construction	-	-	-	-	-	-	-	1,761,304
Debt service	-	-	-	-	-	-	-	3,080,689
Nonprogrammed charges	-	-	-	9,102,246	-	237,238	3,972	9,574,207
Total disbursements	13,899	-	12,991	9,102,246	-	237,238	3,972	61,706,407
Excess (deficiency) of receipts over (under) disbursements	3,081	-	123	16,663	-	43,560	106	1,217,679
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	155,259
Transfers in	-	-	-	-	-	-	-	2,600,000
Transfers out	-	-	-	-	-	-	-	(2,600,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	155,259
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	3,081	-	123	16,663	-	43,560	106	1,372,938
Cash and investments - ending	\$ (3,312)	\$ -	\$ (1,405)	\$ 106,450	\$ 1,010	\$ 61,078	\$ 106	\$ 13,830,830

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF LEASES AND DEBT  
June 30, 2018

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities: Richmond Multi-School Building Corporation	Multi-School Building Projects	<u>\$ 1,358,000</u>	07/15/14	01/15/20
Total of annual lease payments		<u><u>\$ 1,358,000</u></u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities: General obligation bonds	Retirement/Severance Bonds	<u>\$ 3,450,000</u>	<u>\$ 1,720,532</u>
Totals		<u><u>\$ 3,450,000</u></u>	<u><u>\$ 1,720,532</u></u>

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2018

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 123,581
Buildings	75,129,686
Improvements other than buildings	8,629,619
Machinery, equipment, and vehicles	<u>14,481,703</u>
Total governmental activities	<u>98,364,589</u>
Total capital assets	<u><u>\$ 98,364,589</u></u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE RICHMOND COMMUNITY SCHOOLS, WAYNE COUNTY, INDIANA

**Report on Compliance for Each Major Federal Program**

We have audited the Richmond Community Schools' (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2016 to June 30, 2018. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)

***Opinion on Each Major Federal Program***

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2016 to June 30, 2018.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2018-003. Our opinion on each major federal program is not modified with respect to these matters.

The School Corporation's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control over Compliance**

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.


A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2018-002, 2018-003, and 2018-004, that we consider to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)

The School Corporation's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

April 15, 2019

#### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

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RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2017 and 2018

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast			FY 2016/2017	\$ -	\$ 539,356	\$ -	\$ -
School Breakfast			FY 2017/2018	-	-	-	616,272
Total - School Breakfast Program				-	539,356	-	616,272
National School Lunch Program	Indiana Department of Education	10.555					
School Lunch			FY 2016/2017	-	1,849,029	-	-
School Lunch			FY 2017/2018	-	-	-	2,054,590
School Snack			FY 2016/2017	-	9,984	-	-
School Snack			FY 2017/2018	-	-	-	16,030
School Commodities			FY 2016/2017	-	263,261	-	-
School Commodities			FY 2017/2018	-	-	-	231,270
Total - National School Lunch Program				-	2,122,274	-	2,301,890
Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food			FY 2016/2017	-	45,907	-	-
Summer Food			FY 2017/2018	-	-	-	36,882
Total - Summer Food Service Program for Children				-	45,907	-	36,882
Total - Child Nutrition Cluster				-	2,707,537	-	2,955,044
Child Nutrition Discretionary Grants Limited Availability	Indiana Department of Education	10.579	FY 2017/2018	-	-	-	4,700
Fresh Fruit and Vegetable Program	Indiana Department of Education	10.582					
Fresh Fruit and Vegetable			FY 2016/2017	-	59,720	-	-
Fresh Fruit and Vegetable			FY 2017/2018	-	-	-	92,712
Total - Fresh Fruit and Vegetable Program				-	59,720	-	92,712
Total - Department of Agriculture				-	2,767,257	-	3,052,456
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
IDEA Part B FY15			14215-061-PN01	-	86,489	-	-
IDEA Part B FY16			14216-059-PN01	-	1,288,505	-	81,162
IDEA Part B FY17			14217-059-PN01	-	185,301	-	1,102,393
IDEA Part B FY18			18611-059-PN01	-	-	-	211,434
Total - Special Education Grants to States				-	1,560,295	-	1,394,989

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2017 and 2018

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
Special Education Preschool Grants	Indiana Department of Education	84.173					
Preschool Grant FY15			45715-061-PN01	-	4,400	-	-
Preschool Grant FY16			45716-059-PN01	-	35,349	-	17,066
Preschool Grant FY17			45717-059-PN01	-	33,260	-	30,032
Preschool Grant FY18			18619-059-PN01	-	-	-	39,801
Total - Special Education Preschool Grants				-	73,009	-	86,899
Total - Special Education Cluster (IDEA)				-	1,633,304	-	1,481,888
Adult Education - Basic Grants to States	Indiana Department of Workforce Development	84.002					
Adult Education 15-16			5104180P15ABEGR	-	37,254	-	-
Adult Education 16-17			5104180P16ABEGR	-	109,275	-	15,803
Adult Education 17-18			5104180P17ABEGR	-	-	-	81,862
Total - Adult Education - Basic Grants to States				-	146,529	-	97,665
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I 15-16			16-8385	-	784,377	-	-
Title I School Improvement			S010A150014	-	18,624	-	-
Title I 16-17			17-8385	-	1,532,407	-	588,524
Title I School Improvement			S010A160014	-	-	-	56,285
Title I 17-18			18-8385	-	-	-	1,282,787
Total - Title I Grants to Local Educational Agencies				-	2,335,408	-	1,927,596
Career and Technical Education -- Basic Grants to States	Indiana Department of Education	84.048					
Perkins 15-16			16-4700-8385	-	49,259	-	-
Perkins 16-17			17-4700-8385	-	60,639	-	57,620
Perkins 17-18			18-4700-8385	-	-	-	84,322
Perkins Rural Grant 16-17			A58-7-17CI-3992	-	100,000	-	-
Perkins Rural Grant 16-17			A58-7-17CI-4359	-	100,000	-	-
Total - Career and Technical Education -- Basic Grants to States				-	309,898	-	141,942

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2017 and 2018

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-17	Total Federal Awards Expended 06-30-17	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18
Education for Homeless Children and Youth	Indiana Department of Education	84.196					
Education for Homeless Children and Youth FY2015			A58-5-15SS-2345	-	1,600	-	-
Education for Homeless Children and Youth FY2016			7000S196A160015	-	6,101	-	2,760
Education for Homeless Children and Youth FY2017			AA58-7-17SS-3968	-	-	-	10,354
Total - Education for Homeless Children and Youth				-	7,701	-	13,114
Rural Education	Indiana Department of Education	84.358	S358B170014	-	-	-	48,336
English Language Acquisition State Grants	Indiana Department of Education	84.365					
English Language Acquisition State Grants FY2015			01115-094-PN01	-	11,974	-	-
English Language Acquisition State Grants FY2016			01116-094-PN01	-	16,253	-	649
English Language Acquisition State Grants FY2017			01117-092-PN01	-	13,996	-	16,980
English Language Acquisition State Grants FY2018			01118-091-PN01	-	-	-	15,387
Total - English Language Acquisition State Grants				-	42,223	-	33,016
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Title II Part A			EDSA58-6-16CI-3578	-	12,630	-	-
Title II Part A			EDSA58-7-17CI-4577	-	-	-	10,900
Title II Part A			FFY2014	-	161,812	-	-
Title II Part A			S367A150015	-	167,188	-	209,510
Title II Part A			S367A160013	-	-	-	126,294
Total - Supporting Effective Instruction State Grants				-	341,630	-	346,704
Total - Department of Education				-	4,816,693	-	4,090,261
<u>Department of Health and Human Services</u>							
Assistance Programs for Chronic Disease Prevention and Control	Indiana Department of Health	93.945	FY17	-	-	-	1,500
Preventive Health and Health Services Block Grant	Indiana Department of Health	93.991	FY17	-	-	-	1,200
Total - Department of Health and Human Services				-	-	-	2,700
Total Federal Awards Expended				\$ -	\$ 7,583,950	\$ -	\$ 7,145,417

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

RICHMOND COMMUNITY SCHOOLS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2017 and 2018. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.



RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
84.010	Child Nutrition Cluster	Unmodified
84.367	Title I Grants to Local Educational Agencies	Unmodified
	Supporting Effective Instruction State Grants	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
----------------------------------------	----

**Section II - Financial Statement Findings**

**FINDING 2018-001**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-001.

*Condition*

There were deficiencies in the internal control system of the School Corporation related to financial transactions and reporting over cash and receipts.

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

The School Corporation had not separated incompatible activities related to cash and receipts. One employee received money, issued official receipts, prepared bank deposits and deposit slips, took deposits to the bank, posted receipts, and approved adjustments without a sufficient oversight, review, or approval process.

*Context*

The lack of controls was a systemic issue, which occurred throughout the audit period.

*Criteria*

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, Uniform Internal Control Standards for Indiana Political Subdivisions. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

*Cause*

Management had not established a proper system of internal controls related to financial transactions and reporting over cash and receipts.

*Effect*

The failure to establish controls could have enabled misstatements or irregularities to remain undetected.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls related to financial transactions and reporting over cash and receipts.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan which is part of this report.

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

***Section III - Federal Award Findings and Questioned Costs***

***FINDING 2018-002***

Subject: Child Nutrition Cluster - Cash Management, Reporting, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP), Special Tests and Provisions - Paid Lunch Equity

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2016/2017, FY 2017/2018

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Cash Management, Reporting, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP), Special Tests and Provisions - Paid Lunch Equity

Audit Finding: Material Weakness

***Repeat Finding***

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-002.

***Condition***

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements:

***Cash Management***

The School Corporation had not established a system of internal controls to verify if net cash resources exceeded three months average expenditures, including an oversight, review, or approval process.

***Reporting***

The School Corporation had not established a system of internal controls to verify the accuracy of reports submitted to the state. One employee prepared and submitted the Annual Financial Report without an oversight, review, or approval process.

***Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)***

The School Corporation had not established a system of internal controls over the free and reduced priced lunch applications. One employee performed all procedures related to the verification of free and reduced price applications without an oversight, review, or approval process.

***Special Tests and Provisions - Paid Lunch Equity***

The School Corporation had not established a system of internal controls related to the calculation of paid lunch equity. One employee performed all the procedures related to the paid lunch equity calculations without an oversight, review, or approval process.

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

*Context*

The lack of controls was a systemic issue, which occurred throughout the audit period.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

*Cause*

The School Corporation had not developed a system of internal controls that segregated key functions and that would have ensured compliance with the requirements listed above.

*Effect*

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements listed above. A lack of segregation of duties within an internal control system could have also allowed noncompliance with those compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

***FINDING 2018-003***

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment  
Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program,  
Summer Food Service Program for Children  
CFDA Numbers: 10.553, 10.555, 10.559  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2016/2017, FY 2017/2018  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Procurement and Suspension and Debarment  
Audit Findings: Material Weakness, Other Matters

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-003.

*Condition*

An effective internal control system was not in place at the School Corporation in order to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

The School Corporation did not have procedures in place to verify that vendors were not suspended or debarred. The School Corporation did not verify if the applicable vendors were suspended or debarred during the audit period.

*Context*

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

*Cause*

Management had not developed a system of internal controls to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

***FINDING 2018-004***

Subject: Title I Grants to Local Educational Agencies - Procurement and Suspension and Debarment; Special Tests and Provisions - Annual Report Card, High School Graduation Rate; Special Tests and Provisions - Assessment System Security

Federal Agency: Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Numbers and Years (or Other Identifying Numbers): 16-8385, S010A150014, 17-8385, S010A160014, 18-8385

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Procurement and Suspension and Debarment; Special Tests and Provisions - Annual Report Card, High School Graduation Rate; Special Tests and Provisions - Assessment System Security

Audit Finding: Material Weakness

*Condition*

An effective internal control system, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements:

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

*Procurement*

The School Corporation had not established a system of internal controls to ensure price or rate quotations were obtained for procurements over \$3,500, including an oversight, review, or approval process.

*Special Tests and Provisions - Annual Report Card, High School Graduation Rate*

The School Corporation had not established a system of internal controls to ensure that student removal from the cohort was properly reviewed, including an oversight, review, or approval process.

*Special Tests and Provisions - Assessment System Security*

The Testing Security Coordinator prepared the School Corporation's test security policy without an oversight, review, or approval process.

*Context*

The lack of internal controls was a systemic problem, which occurred throughout the audit period.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

*Cause*

The School Corporation had not developed a system of internal controls that segregated key functions and that would have ensured compliance with the requirements listed above.

*Effect*

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements listed above. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

*Questioned Costs*

There were no questioned costs identified.

RICHMOND COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Condition)

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and the compliance requirements listed above.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.



#### AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.



# Richmond Community Schools

300 Hub Etchison Parkway • Richmond, IN 47374

Phone (765) 973-3300

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2016-001***

Fiscal year in which the finding initially occurred: 2014-2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:

Contact Person Responsible for Corrective Action: Karen Scalf

Contact Phone Number: (765)973-3406

#### **Status of Audit Finding:**

Due to the timing of the audit associated with the original finding, the corporation was unable to put corrective action plan in place until late in the current audit period. Corporation has put additional controls in place with the hiring of an additional Business Office staff person. Continued training will increase the level of controls with full implementation expected by June 30, 2019.

### ***FINDING 2016-002***

Fiscal year in which the finding initially occurred: 2014-2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Margaret LaRue & Robert Tidrow

Contact Phone Number: (765)973-3309

#### **Status of Audit Finding:**

Due to the timing of the audit associated with the original finding, the corporation was unable to put corrective action plan in place until late in the current audit period. Full implementation of the Plan below was implemented for the 2018-2019 school year and measures were immediately put in place prior to the May 21, 2018 Corrective Action Plan response. The original plan is outlined below though some areas may no longer be applicable with the current Community Eligibility Provision Schools status districtwide during the 2018-2019 school year.

**Free/Reduced Confirmation review-**A confirmation review will be performed on three percent (minimum) of all Free/Reduced meal applications submitted on paper. This will be accomplished by the Head Cashier with the assistance of the Food Service Clerk in the food service office. The staff will arrange applications by school and count and review the information entered into our P.O.S. (mosaic) of every third application. Any discrepancies will be dealt with at the time of review. Any changes in the status of meal benefits will take place according to the D.O.E. guidelines. Online meal applications will have three percent reviewed by the Food Service Clerk. This will be accomplished by printing a listing of online applications and finding three percent. Then randomly selecting by application number, printing application and reviewing information NutriCloud imported into our P.O.S. Any discrepancies will be dealt with at the time of review and follow all D.O.E. guidelines for changes in meal benefits.

**Free/Reduced Application Verification-**Verification of Free/Reduced meal applications will be performed each school year according to the D.O.E. guidelines. All meal applications selected for verification will be cross referenced with the D.O.E. app center "look-up" site. The look up checks for direct certification status as well as direct verification status results. If a household is identified as directly certified or directly verified during the look up then no further verification is needed. Before ending the verification process, the Food Service Coordinator will review all paperwork, check stubs, public assistance award letters, etc. to ensure accuracy. The Food Service Coordinator will sign the verification folder to show it has been reviewed before submitting the S.F.A. report.

Cash balance-Along with the monthly comparison of revenue and expenses to the previous year, a quarterly comparison will be calculated using the revenue, expenditure, and fund reports. Each quarter, the totals will be added to 3 previous quarter figures. This average will help determine the allowable cash balance. Notes will be made if the cash balance is higher than allowable, should a near future purchase be expected.

Annual Financial Report-The Annual Financial Report is prepared by the Food Service Coordinator, using the DOE worksheet. After completion, the report will be reviewed by either the Food Service Secretary or the Chief Financial Officer.

Paid Equity Tool-The Food Service Coordinator will prepare the Paid Equity Tool using the DOE spreadsheet. The reports and the Tool will be sent to the Chief Financial Officer along with a spreadsheet to recalculate the data for accuracy. Both the Tool and the spreadsheet will be sent to the Chief Financial Officer for review and data storage.

**FINDING 2016-003**

Fiscal year in which the finding initially occurred: 2014-2016

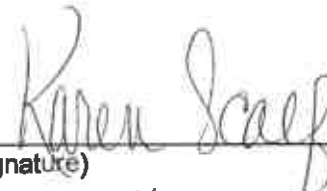


Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Margaret LaRue & Robert Tidrow

Contact Phone Number: (765)973-3309

**Status of Audit Finding:**

Due to the timing of the audit associated with the original finding, the corporation was unable to put corrective action plan in place until late in the current audit period. Full implementation of the Plan below was implemented for the 2018-2019 school year and measures were immediately put in place prior to the May 21, 2018 Corrective Action Plan response. In addition to the corrective action plan, the Business Office verifies all W-9s received from vendors in Sam.gov as well as the food service department checks on the vendors prospectively awarded bids prior to board acceptance of the bids.

  
(Signature)  
  
(Title)  
  
(Date)



# Richmond Community Schools

300 Hub Etchison Parkway · Richmond, IN 47374

Phone (765) 973-3300

State Board of Accounts  
Indianapolis, IN

The following plan has been in place prior to or will be put in place immediately following our final exit conference with the Field Auditor and Audit Supervisor April 15, 2019.

## CORRECTIVE ACTION PLAN

### ***FINDING 2018-001***

Contact Person Responsible for Corrective Action: Karen Scalf  
Contact Phone Number: (765)973-3406

We concur with the finding and have put in place additional controls to meet the recommendation, however due to the delay by State Board of Accounts in performing the prior audit, implementation could not occur until late in the audit period. Corrections have been implemented and are currently in place.

Description of Corrective Action Plan: Due to the delay in audit by State Board of Accounts, corrective action could not take place until late in the Audit period. The corporation has reinstated a previously vacant position to work in the Business Office as a support in the cash and receipts area as well as other routine duties. The CFO or Deputy Treasurer will take deposits to the bank, verify postings, and approve any adjustments. A plan to correct this finding was not in place until March of 2019 due to training requirements, but is now active.

### ***FINDING 2018-002***

Contact Person Responsible for Corrective Action: Margaret LaRue, Robert Tidrow  
Contact Phone Number: (765)973-3309

We concur with the finding and have put in place additional controls to meet the recommendation, however due to the delay by State Board of Accounts in performing the prior audit, implementation could not occur until late in the audit period. Corrections have been implemented and are currently in place.

#### Description of Corrective Action Plan:

Due to the delay in audit by State Board of Accounts, corrective action could not take place until late in the Audit period. Free/Reduced Confirmation review-A confirmation review will be performed on three percent (minimum) of all Free/Reduced meal applications submitted on paper. This will be accomplished by the Head Cashier with the assistance of the Food Service Clerk in the food service office. The staff will arrange applications by school and count and review the information entered into our P.O.S. (mosaic) of every third application. Any discrepancies will be dealt with at the time of review. Any changes in the status of meal benefits will take place according to the D.O.E. guidelines. Online meal applications will have three percent reviewed by the Food Service Clerk. This will be accomplished by printing a listing of online applications and finding three percent. Then randomly selecting by application number, printing application and reviewing information NutriCloud imported into our P.O.S. Any discrepancies will be dealt with at the time of review and follow all D.O.E. guidelines for changes in meal benefits.

Free/Reduced Application Verification-Verification of Free/Reduced meal applications will be performed each school year according to the D.O.E. guidelines. All meal applications selected for verification will be cross referenced with the D.O.E. app center "look-up" site. The look up checks for direct certification status as well as direct verification status results. If a household is identified as directly certified or directly verified during the look up then no further verification is needed. Before ending the verification process, the Food Service Coordinator will review all paperwork, check stubs, public assistance award letters, etc. to ensure accuracy. The Food Service Coordinator will sign the verification folder to show it has been reviewed before submitting the S.F.A. report.

Cash balance-Along with the monthly comparison of revenue and expenses to the previous year, a quarterly comparison will be calculated using the revenue, expenditure, and fund reports. Each quarter, the totals will be added to 3 previous quarter figures. This average will help determine the allowable cash balance. Notes will be made if the cash balance is higher than allowable, should a near future purchase be expected.

Annual Financial Report-The Annual Financial Report is prepared by the Food Service Coordinator, using the DOE worksheet. After completion, the report will be reviewed by either the Food Service Secretary or the Chief Financial Officer.

Paid Equity Tool-The Food Service Coordinator will prepare the Paid Equity Tool using the DOE spreadsheet. The reports and the Tool will be sent to the Chief Financial Officer along with a spreadsheet to recalculate the data for accuracy. Both the Tool and the spreadsheet will be sent to the Chief Financial Officer for review and data storage.

#### **FINDING 2018-003**

Contact Person Responsible for Corrective Action: Margaret LaRue, Robert Tidrow  
Contact Phone Number: (765)973-3309

We concur with the finding and have put in place additional controls to meet the recommendation, however due to the delay by State Board of Accounts in performing the prior audit, implementation could not occur until late in the audit period. Corrections have been implemented and are currently in place.

#### **Description of Corrective Action Plan:**

Due to the delay in audit by State Board of Accounts, corrective action could not take place until late in the Audit period. Suspension and Disbarment-Each year when the Food Service Bid tabulation is completed and awarded, all awarded vendor companies will be checked on Sam.gov to be sure the company is in good standing. All new companies to be purchased from will be checked before awarding purchase orders.

#### **FINDING 2018-004**

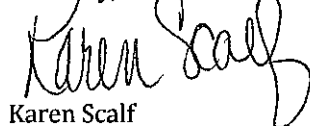
Contact Person Responsible for Corrective Action: Corey Hartley, Michael Shunneson, Karen Scalf, Jennifer O'Brien  
Contact Phone Number (765)973-3406

#### **Description of Corrective Action Plan:**

We understand the finding and have put the following actions into place: Dual signature verification will be put into place immediately for all reporting and compliance requirements. Student Management Operations Specialist will reply to appropriate administrator for verification of data received and entered prior to submittal. SMO Specialist will provide written documentation to administrator post submittal. Documentation of verification will be maintained by the SMOS. Verification of vendors status has been occurring since May 2018 and is in place. The Business Office will verify all purchase orders using federal funds over the micro purchase threshold of \$3,500 that they contain a minimum of three quotes prior to processing. Quotes will be documented with date of receipt and initialed by grant administration. An assessment system security policy will be passed by the board prior to July 1, 2019.

The repeat findings were corrected immediately upon knowledge of the finding in the prior Audit completed in May 2018. These findings would have been corrected in the appropriate audit period had State Board of Accounts audited in a timely fashion. Due the year(s) long delay in the prior audit being completed, the findings could not be resolved until extremely late in the audit period under current review. While we accept these findings due the inability to deny them, we do not agree with the decision to repeat them as they were corrected immediately and during the current period.

Sincerely,



Karen Scalf  
Chief Financial Officer

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.